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The AMERICAN OBSERVER

A free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Madison



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Russia Appeals for Assault on Fascism

Communist Leaders, Changing Front, Promise Aid to Socialists and Liberals

A NEW INTERNATIONAL PARTY

Menace of German and Japanese Fascists Drives Russia to Determined Fight

Pressed by the menacing growth of fascism in Germany, Italy, and Japan, the communists of Soviet Russia have announced a dramatic change of front in their foreign policy. They are making an appeal to anti-fascists all over the world to forget their differences, for the moment, and form a united front against the common enemy. That is the decision which has just been made by the congress of the communist parties of the world, the Communist International, and it will mean a new stage in the relations of Soviet Russia with Europe and the United States, and a far-reaching change in the program of the communist parties everywhere.

The appeal was sent out, not in the name of the Russian communist government, but of the Communist International, or Comintern. The International includes representatives of foreign communist parties as well as the heads of the Russian Communist parties. But in practice, it is under the control of the same men who direct the destinies of Russia,—Josef Stalin, Michael Kalinin, Maxim Litvinoff, Karel Radek,—the followers of Nikolai Lenin who led the communist revolution in Russia in 1917, and who have now assumed undisputed control over all rebellious groups within the party. They are the men who made the decision, and for that reason it has a twofold importance, as a part of the general communist program, and as a part of the foreign policy of Soviet Russia.

The Communist Program

Up to the present, the communists have refused all cooperation with other political parties. Their aim was the violent overthrow of capitalistic governments throughout the world, to usher in the new régime in which private property would disappear and all factories, stores, farms, and transportation systems would be administered for the workers by a communist government. Their program was simple—unqualified opposition to everyone who stood in the way of the new régime, and a determined effort to set it up any time or anywhere that was possible. They were enemies of the socialists, because the socialists thought that private property could be ended and the new régime set up by peaceful means, through the gradual evolution of society. This belief, in communist eyes, was a fatal mistake, which interfered with their own efforts and left the workers at the mercy of their capitalist oppressors. They were enemies of the liberals, who fought any attempt to resort to violent, undemocratic methods such as those which the communists advocated. They were enemies of the democrats, because they thought of democracy as a system of government which enabled wealth to exercise disproportionate power and to block any effective social reform. For 17 years the communists have tarred socialists, demo-

(Continued on page 5, column 2)



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PEOPLE OF MOSCOW GOING TO A CELEBRATION

Resolving the Doubt

President Wilson had occasion at one time to decide upon a matter of policy in a case involving a dispute with Great Britain. The case related to the charging of a toll for passage through the Panama Canal. Congress had passed an act providing that American coastwise shipping might go through the Canal without payment of toll. The British declared this a violation of a treaty between Great Britain and America which decreed that the ships of all nations might use the Canal on equal terms. There was an honest difference of opinion as to the interpretation of the treaty. President Wilson decided that the act of Congress should be repealed. There was, he said, doubt as to whether we had a right to excuse American ships from payment, and he added a statement which should live in American history. "Let us," he said, "resolve the doubt against ourselves!" His critics raved when this declaration was made. They charged that he had betrayed the interests of his country. He was called "pro-British." He was called weak and "un-American." He had, however, proclaimed a rule, which, if universally followed, would banish war from the world. It would make for good will and cooperation among nations.

The rule of conduct proclaimed by Woodrow Wilson is no less appropriate as a guide for the individual. Personal and social relations would be far smoother if, in case of doubt, we resolved the doubt against ourselves. If we followed that rule, we would sometimes lose temporary advantages. But we would establish reputations for honesty and fair play. One who practiced the rule day in and day out, year in and year out, would after a while gain a universal respect. And his losses would be small. He could well afford to lose such advantages as were his by dubious right. The best of his possessions would still be unchallenged. His finest achievements would be undisputed. He could still stand stoutly for his unquestioned rights. He would not need to be soft or weak or futile. He could still fight resolutely and fearlessly for every privilege which belonged to him, just as a nation following the rule might still strive heroically for every challenged right. The most trying troubles of public and personal life come from conflicts over doubtful points. The nation or the individual following the principle that these rights should be resolved against itself or himself would come to a new leadership, proving that honesty and fair play are the best policies. They would, in addition, gain a self-respect such as may be built only upon a foundation of clean conscience and unquestioned fairness.

Roosevelt Requests Neutrality Measures

Urges Congress to Define Position of United States in Case of International War

ETHIOPIAN DISPUTE A FACTOR

Presidential Desire to Avoid Entanglements Will Affect New Legislation

During the closing days of July President Roosevelt took two steps which may have an important bearing upon the relations of this country with the rest of the world. Questioned by newspaper men as to what the attitude of the American government would be in the Italo-Ethiopian controversy which threatens to lead to war in the near future, the President declared that this country would not become entangled in international disputes in which it does not have a direct interest. He declared the Ethiopian affair to be such a dispute. A few days earlier the President requested Congress to enact legislation at this session if it could be done without prolonging adjournment, which would define the position of the United States in case of war between two foreign powers. In other words, he asked for a definition of the American policy on neutrality. The President did not go so far as to make specific recommendations for legislation. It seems fairly certain that no comprehensive legislative program on the subject of neutrality will be enacted during the present session because an adequate measure would require months of study and debate. It is highly possible, however, that some bill will be enacted before Congress adjourns and that it will be drawn particularly to meet the needs of the Ethiopian situation.

Neutrality Policy

The subject of neutrality is one which has caused the United States no end of trouble with foreign nations. From the time of George Washington, when England and France were at war, down to the World War, serious controversies have arisen in connection with the question of neutral rights. We have become directly involved in a number of wars as a result of our insistence upon the guarantee of these rights. The War of 1812 may be said to have been the direct result of England's failure to respect what we considered our rights as a neutral in her war with France. Insofar as our participation in the World War may be attributed to a single cause, it was the flagrant violation of our neutrality that made us take up arms against the Central Powers. Contrariwise, when we ourselves were belligerents in the Civil War, difficulties arose with other countries, particularly Great Britain, because of their refusal to fulfil what we considered to be their duties as neutrals. It is in order to prevent the recurrence of situations like those which have involved us in wars in the past that the President seeks a redefinition of our entire neutrality policy.

An examination of America's relations with the nations of the world in time of war shows fairly clearly that a definite policy has been adhered to throughout our history. We have always insisted that neutral countries enjoyed certain privileges during periods of war. We have main-

(Concluded on page 6)

FOLLOWING THE NEWS

THE House of Representatives cleared its decks for action last week as the President's share-the-wealth bill was introduced in that body by Representative Robert L. Doughton, chairman of the Ways and Means Committee. House leaders, as-



SENATOR BORAH

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sured that the \$275,000,000 tax-the-rich bill meets White House requirements, hope to push it through the lower house of Congress in quick order, thereby hastening the possibility of congressional adjournment.

The bill is expected to be attacked sharply, however, before it is finally put through. In the first place, it is generally recognized to be wholly inadequate in meeting the heavy expenses of the government. Should this additional tax program be put into effect, the government would still be spending several billions of dollars more each year than it collects in revenue. For this reason, it is argued, the government should not only greatly increase the taxes on huge incomes, inheritances, and gifts, but it should also place a stiffer levy on annual incomes between \$5,000 and \$100,000. Only by doing this, critics of the present tax program say, can the government raise enough money to meet most of its heavy expenses. And unless the government does pay more of its expenses by taxation rather than borrowing, continues the argument, its credit will soon be gone and it will have to resort to the printing presses.

The administration realizes that its new tax bill is not adequate as a revenue measure, but it thinks that it has considerable "reform" value in that it will tend to break up enormous fortunes. Supporters of the administration say that it is too much to ask any political party to push a stiff tax program down the throats of voters one year before election.

New U. S. Coins

President Roosevelt has turned coin-designer of late, Secretary of Treasury Morgenthau announced at a recent press conference. Mr. Morgenthau described the President's ideas of how two proposed new United States coins should look. Previously the secretary of treasury had announced that he would seek authority of Congress to issue a new one-half-cent piece and a one-mill piece. These new coins, he claimed, are necessary because merchants in states which have sales taxes are having difficulty making correct change for customers. For example, in a state with a two-per-cent sales tax, the correct tax on a twenty-five-cent purchase is one-half cent. The merchant, however, at present has no way of collecting half a cent, so he is now charging customers a whole penny. Under this system the customer is being overcharged. Several states have threatened to coin monetary pieces of less than a cent. Mr. Morgenthau said. This would be illegal, for only the federal government may coin money, and then only with the consent of Congress.

The half-cent piece, which will be made of copper, will be somewhat smaller than a penny. President Roosevelt suggests that it be round with a hole in the center. The one-mill piece, whose composition has not been decided—aluminum, bronze, zinc, and copper are being considered—will, according to the President's idea, be made square, but Secretary Morgenthau thinks

that the corners should at least be rounded. At any rate, a bill has been introduced in the House by Representative Andrew L. Somers, chairman of the Coinage, Weights and Measures Committee. The bill provides that the new denominations and their designs shall be decided by Nellie Tayloe Ross, director of the mint, with the approval of the President and the secretary of treasury. The United States at one period in its history had a half-cent piece, but this was abandoned in 1857. Never has a coin worth less than half a cent been officially used in this country.

Beat Borah?

Conflicting reports have come out of Washington within the last week concerning whether or not the Democratic National Committee is planning to seek the defeat of Senator William E. Borah, insurgent Republican from Idaho, in the 1936 elections. One report has it that Democratic leaders, headed by Postmaster General James A. Farley, met recently and laid plans to support three-time Governor C. Ben Ross against Senator Borah. In contrast to this report is a statement from Senator James Hamilton Lewis, Illinois Democrat, who is head of the Democratic senatorial campaign committee. Senator Lewis declares that Mr. Farley, who is now en route to Hawaii on a vacation, knows nothing of the reported "get Borah's scalp" meeting. Repetitions of both reports are varied. It was rumored sometime ago, however, that the administration was planning to beat Mr. Borah if possible, and some Democrats even went so far as to predict that after this session he would no longer be in the Senate. Senator Borah has refused to make a statement until the administration definitely makes a move against him. An administration fight against the Idaho veteran would closely parallel the 1934 attempt led by Mr. Farley, to beat the late Senator Bronson Cutting of New Mexico. Both Cutting and Borah have supported some administration measures and opposed others. Several liberals of both parties have offered to go into Idaho and campaign for him if the New Deal seeks his defeat.

"Mystery Man" Wanted

While the special Senate lobby investigation committee continues probing into activities of lobbyists during the recent holding company bill fight (see THE AMERICAN OBSERVER, July 22), committeemen are considering asking Department of Justice agents to find a missing "mystery man" whose testimony they greatly desire. The man of mystery, H. C. Hopson, is president of the Associated Gas and Electric System, a holding company which spent \$700,000 to combat the "death sentence" holding company bill. Testimony has been brought out in the committee's investigation that Hopson profited \$2,855,106 during the depression years through his control of the

A. G. E. Search for him has been under way two weeks, but even his associates deny knowledge of his whereabouts. He disappeared once before when the Senate Banking Committee wanted him to testify at one of its investigations. Meanwhile, in the House Office building, Representative Walter Chandler (Democrat of Tennessee) is entertaining visitors by showing them an exhibit of 10,000 letters and telegrams he received during the holding company fight. All are from the same county, and he has 53 telegrams from one address—a five-and-ten-cent store in Memphis!

Walter Williams Dies

The "father" of the world's first journalism school, who was also the first newspaper man to become a college president, died in Columbia, Missouri, last week. He was Dr. Walter Williams, who rose to the presidency of the University of Missouri by way of the print shop and editorial office rather than through college classrooms. Dr. Williams was one of the first to express a belief that newspaper work could be taught in the college classroom. In 1908 the curators of the University of Missouri permitted him to set up, as an experiment, the first journalism school in the world. Now practically all leading colleges have either departments or schools of journalism. Dr. Williams' climb to fame as an educator is remarkable in view of the fact that he had only a high school education. In 1930, when he was made president of the Missouri school, he became the first head of a major educational institution in this country without a college diploma. His theory was that the journalism school should provide the basis for a liberal education; that it should emphasize special subjects of value to the journalist, and that it should instruct him in the practical side of newspaper making. His creed for journalists included this thought: "I believe that a journalist should write only what he holds in his heart to be true; that no one should write as a journalist what he would not say as a gentleman."

More AAA Suits

The best defensive is often an offensive. And the administration evidently is going to use this type of tactics against food processors who are fighting the Agricultural Adjustment Administration in courts throughout the nation. Coincident with the latest series of suits filed by 17 meat-packing firms against the AAA has come an administration go-ahead signal on a resolution calling for a \$150,000 investigation of food processing. The investigation resolution, which originated in the Senate and was approved there early in the session, has received a favored status from the House Rules Committee. It authorizes a broad inquiry of the income derived by handlers, processors, and middlemen in handling farm produce from the farm to the consumer. Processors of agricultural commodities are protesting that the tax which the government levies on the goods they handle is unconstitutional. But without this tax the government is unable to make benefit payments to farmers for taking surplus farm land out of production. Without the tax to pay benefits the New Deal farm policy would be wrecked. (See THE AMERICAN OBSERVER, July 15).



NEW WAR PLANE

This new army bomber, largest in the world, is making trial flights in Seattle. Its four 700 horsepower motors drive it 200 miles per hour.

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THOUGHTS AND SMILES

We hope he will not have to change his name to Farewell Selassie.

—St. Louis POST-DISPATCH

"The modern girl's hair looks like a mop," says a writer. But she doesn't worry; she probably doesn't even know what a mop looks like.

—HUMORIST

I would rather be ignorant than wise in the foreboding of evil.

—Aeschylus

The pentathlon is a combination of five athletic events, as in the case of unfolding a deck chair.

—Milwaukee JOURNAL

War: The finish line in an arms race.

—Detroit NEWS

Of course the wife earns half of the income. How could any business get along without a good buyer?

—Detroit FREE PRESS

There is more ado to interpret interpretations than to interpret the things, and more books upon books than upon all other subjects; we do nothing but comment upon one another.

—Montaigne



—LIFE

"LOOK AT THE NEW TIE THE COMPANY GAVE ME FOR MY BIRTHDAY."

Another thing that retards the progress of man is that his architectural design so aptly fits him to sit down.

—Washington Post

Hoover ought not to be so impatient with the two-year-old New Deal; he himself backed a Noble Experiment four years.

—Norfolk VIRGINIAN-PILOT

"Impossible" is a word found only in the dictionary of fools.

—Napoleon

Young Col. Roosevelt is having a terrible time hunting some place where his dad didn't hunt.

—St. Louis POST-DISPATCH

How annoying when a woman ignores your remark that she can't start a watch with a hairpin. Especially when she makes it go.

—Los Angeles TIMES

A chemical to burn the feet of the shoeless Ethiopian may be tried by Italy. Tying knots in the invaders' spaghetti would be a frightful reprisal.

—Detroit NEWS

To have what we want is riches, but to be able to do without is power.

—George Macdonald

An island in the South Pacific is ruled by goats. Our system of letting the goats vote seems better.

—Toledo BLADE

Hitler is right when he says Europe isn't big enough for a war. Even peace seems crowded over there.

—Toledo BLADE

The stratospheric flight that didn't materialize because the balloon bag burst might have been a preview of some 1936 presidential booms.

—South Bend TRIBUNE

With the requirement that all brakes shall be thoroughly inspected, a lot of people, instead of running over a man, should be able to stop right on top of him.

—Philadelphia INQUIRER

Of all the forms of genius, goodness has the longest awkward age.

—Thornton Wilder

AROUND THE WORLD



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IRISH WOMEN RIOT

Hostilities between Protestants and Catholics have created an acute situation in parts of Ireland

Ethiopia: While border brushes between Mussolini's troops and the Ethiopians had already taken their toll of human life in the Italo-Ethiopian dispute, the League of Nations was preparing last week to make a final attempt to arbitrate a peaceful settlement. Maxim Litvinoff, Russian minister for foreign affairs and representative of the Soviet government at Geneva, summoned the League Council for discussion, and Premier Pierre Laval of France announced that he would take leave from his pressing duties at home to represent France in person at the Council meeting.

The League Council will have an extremely difficult course to steer. On the one hand, the Council knows that a failure by the League at this time will have serious effects on Geneva's prestige, and on the other hand the League officials are just as sure that they cannot persuade any of their member powers to proceed against Italy. Because he was aware of this dilemma, and because he was unwilling to stake the League's prestige on the Ethiopian dispute, Premier Laval may be expected to take a vigorous lead in finding a satisfactory way out for the League.

Most observers have stressed the similarity of the Italian offensive against Ethiopia to the Japanese invasion of Manchuria in 1931, and added that the League would find it very difficult to sustain another such rebuff. Others have pointed out that the Italo-Ethiopian problem will be a far severer test of the League, since Geneva cannot give such good reasons for a failure to act under the League Covenant as it was able to muster in 1931. In the first place, the Japanese-Manchurian clash was principally important to Russia and the United States, neither of which was a member of the League at that time. Also, the Japanese were a strong naval power, against whom the League would have found it very dangerous to act. But Italy is surrounded by League members; Ethiopia is itself a member of the League, and the Italian military and naval power is far less formidable than the Japanese. The League could proceed against Italy with far less risk than would have been entailed in an effort to stop Japan. Moreover, Mussolini has offered no explanations. He has shipped troops and ammunition openly, without any of the smoke screen that the Japanese were careful to lay before sending their armies into Manchuria.

Yet the League is bound hand and foot by the knowledge that France, England,

Russia, and the Little Entente powers would refuse to put military pressure on Italy. The decision of the League Council has been forced on it beforehand; there remains the delicate task of explaining to the world why the League of Nations cannot, and will not, act under its own covenant to halt Italy's attack on one of its own members. Unless that explanation is more satisfactory than seems possible, or unless the League can find some way to discourage Mussolini without the risk of war, Europe's international peace machinery will not look forward to a very hopeful future.

Germany: The Nazi drive against Protestant, Catholic, and Jewish enemies of the Third Reich has continued, with the dissolution of the League of Catholic Fighters, the German Youth Strength, another Catholic organization, and a set of new administrative orders discriminating against the Jews. Meanwhile, the actions of Herr Hitler's government has stirred anti-Nazi outbursts throughout the world.

In Washington, Senator King of Utah called on the American government to investigate the new policies of Nazi Germany, with a view to severing diplomatic relations. He believed that the Jewish and Catholic persecutions afforded ample reason for this action, and cited as an example our cessation of diplomatic relations with czarist Russia because of Jewish pogroms. In the House of Representatives, the same demand was made by Representatives Celler and Dickstein of New York. Representative Dickstein is chairman of the House committee for investigating Nazi activities in this country.

The most colorful protest came from the liberal mayor of New York City, Fiorello H. LaGuardia. One Mr. "K," a German alien, had applied for a license to work as a masseur in New York. His application was denied by the license commissioner, on the ground that New York City ordinances did not permit issuing any special licenses to noncitizens. Mr. "K." brought his case to the German consul-general, who demanded that New York issue the license, according to the terms of a German-American treaty signed in 1925, which assured that Germans and Americans can travel and engage in business in the two countries without discrimination. At this point Mr. LaGuardia intervened, and said that the license could not be issued because Nazi Germany had refused to grant similar privileges to Ameri-

can Jews. The case is now a three-cornered battle between the German consul-general, Mr. LaGuardia, and the State Department, but it was the signal for anti-Nazi demonstrations in New York. In one of them, the flag was cut down from the North German Lloyd liner *Bremen*, and for this offense German newspapers are demanding an apology from the United States.

* * *

Mexico: The crisis which followed General Calles' fall from power (see *THE AMERICAN OBSERVER*, July 1) is gradually settling down into a peaceful approach to Mexico's political and economic problems. During the past two weeks, President Lazaro Cardenas has continued to weed out Calles' supporters from high office and to put in their place men sympathetic to his own régime.

One figure seems to be emerging from the Mexican political picture as a key man in President Cardenas' camp—that of the brilliant Indian lawyer who has served as Mexico's attorney general and, for a time, as president of the republic—Emilio Portes Gil. Many observers consider that Portes Gil will be the strongest obstacle to the return of General Calles, because of a political quickness and shrewdness equal to that of Calles, and because he has the friendship of many elements in Mexico's population, the industrial laborers, the Indian farmers, and the Mexican enemies of foreign domination, who now hold the balance of power in Mexican politics.

At present, General Cardenas seems to have the support of most groups except the foreign industrialists, who oppose his pro-labor policy and his determination to hasten the return of Indian laborers to the land. Since his government rests on a compromise, however, the support of Portes Gil will be very important to him if another crisis develops, through a break between his conservative and radical followers. Cardenas' program to give the labor unions a stronger position and to return agricultural lands to the Indian natives, the purposes of the Mexican Revolution of 1917, will have to proceed cautiously if he is not to alienate the middle class and the landholders.

* * *

Ireland: The recent Catholic-Protestant riots in Dublin and Belfast, growing out of the strained relations between Northern Ireland and the Free State of the South, have not altered the determination of Eamon de Valera, president of the Free State, to work energetically for a united Ireland. On the other hand, they have left the six Protestant counties now joined in the dominion of Northern Ireland more opposed than ever to union with the Free State.

President de Valera said, speaking in his home county Clare, "A majority of the people of this country can never be fully satisfied until they rule this land from end to end and from sea to sea. I am as certain as I am that I am standing here that this will be accomplished." Most observers feel, however, that the Northerners will never consent to rule by Dublin unless de Valera abandons his opposition to England, and works for the unity of Ireland as a dominion with the status of Canada. Only in this way, the Northerners believe, can they be as-

sured of religious and cultural independence. They are particularly unwilling to submit to the compulsory education in Gaelic which de Valera has been pressing in the Free State.

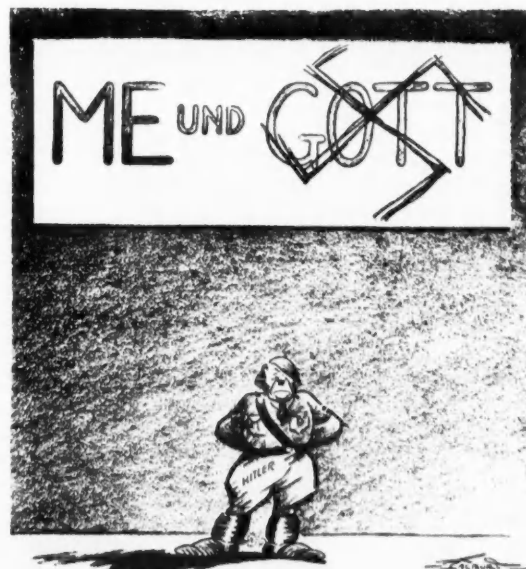
Mr. de Valera's predecessor, President Cosgrave, was willing to accept dominion status as the price of Irish unity. The de Valera party, on the other hand, hopes not only to free Ireland economically and politically from the empire, but to rebuild an Irish language and culture.

The riots, in world opinion, served to show how far Southern and Northern Ireland were from the union which de Valera is advocating. Unless both sides are willing to make great concessions, the South in accepting dominion status and the North in granting equal treatment to Catholic minorities, the possibilities for a united Ireland are extremely small. Moreover, the Free Staters feel that much of the Northerners' opposition to union is inspired by the British, who feel that a divided Ireland would offer less resistance to British imperial influence. This feeling only increases their hostility toward the British, and makes any concession more difficult. Unless Ireland undergoes a miraculous change of heart, most foreigners feel, there is little chance of island unity in the near future.

* * *

Denmark: In Copenhagen an army of 50,000 Danish peasants came to call on their government last week in the most peaceful manner. The peasants had a list of grievances to present to King Christian. Their dairy industry is suffering from tariff and tax burdens, and they wanted help from the government like that which has been given to farmers in this country. When citizens of Copenhagen heard that 50,000 of their fellow countrymen were visiting the capital, they made elaborate preparations to receive them. Radio stations asked everyone in Copenhagen to give at least one farmer a bed for the night, and the peasants were greeted so warmly that none of the great number failed to get sleeping accommodations.

King Christian spoke to them from the palace balcony, explaining that he was a "constitutional monarch" and would have to refer them to parliament. Then he arranged a conference between their leaders and government officials, while the farmers waited patiently for the result of the negotiations. After four hours, it was announced that the government would act as the farmers wished, and the 50,000 men left for home.



UNDER NEW MANAGEMENT

—Talbot in N. Y. WORLD-TELEGRAM

Public Opinion in the Making

Defense of Farm Program

One of the clearest and most concise explanations of the Roosevelt administration's farm policy comes from the pen of Walter Lippmann in one of his recent articles appearing in the New York *Herald-Tribune* and other newspapers. He answers Mark Sullivan, caustic critic of the administration, who sees grave danger in the administration's apparent intentions of controlling nearly all the farm crops. Mr. Lippmann sums up his argument by declaring:

For about fifteen years the farmers have been complaining that the prices they receive are fixed by competition in world markets and are low, whereas the prices they have to pay for manufactured goods are protected by tariffs, by monopolies and trade agreements, by labor unions and statutory wages, and that these prices are relatively high. The depression proved beyond the possibility of dispute that this complaint is just: the farmers' prices are unprotected, whereas most other prices are in one way or another artificially protected against the free play of supply and demand.

Thus in 1932, the low year of the depression, the average wholesale price of farm products was 48 per cent of the 1926 price; of other commodities it was 70 per cent; the cost of living was about 75 per cent. A closer analysis brings out the significance of all this. Between 1929 and the spring of 1933 the price of agricultural commodities fell 63 per cent, but the production fell only 6 per cent. On the other hand the price of agricultural implements, which the farmer buys, fell only 6 per cent, but the production of those implements fell 80 per cent. This illustrates vividly the nature of the problem: the farmer with his low prices and large production; the manufacturer with his high prices and his reduced production.

It is clear that if there is to be a fair exchange between farm and factory, one of two things must happen: Either the farmer must control his production and keep up his price as the manufacturer does, or the manufacturer must continue his production and lower his price. The administration chose to use government power to enable the farmer to imitate the manufacturer. Mr. Sullivan deprecates this as a dangerous tendency, and I heartily agree with him. But the question both of us have to answer is this: If the farmer is to be left to the operation of supply and demand, how is the operation of supply and demand to be fully restored in the manufacturing industries?

Farley and Patronage

The St. Louis *Post-Dispatch*, an independent Democratic paper which supports a large part of the New Deal program, agrees with many others, both friends and foes of the administration, in pointing to the spoils system maintained by Mr. Farley as one of the administration's weakest features. In a recent editorial it comments on an indictment of Farleyism which Amos Pinchot made. Following are the salient paragraphs of the editorial:

In his indictment of the Roosevelt administration, Amos Pinchot makes the point that "he (the President) tries to set up a managed economy, which is impossible without a fine, highly trained and nonpolitical civil service, but lets Farley smash the civil service whenever it's necessary to strengthen his political machine."

The point is well taken. Farleyism has put a potent weapon into the hands of the Republican party and has cooled the zeal of many New Deal supporters. If, as many political observers believe, there has been a decline in the President's popularity, it must be attributed in considerable degree to the shameful way in which the Postmaster-General and Democratic National Committee chairman has used the patronage power to build up a political machine.

It is not too much to say, as Amos Pinchot, former New Deal supporter, says, that the civil service has been dealt a staggering blow by Farleyism. For this result, the President cannot escape responsibility. Farley is his agent. He sits in his

cabinet. In the vivid—and accurate—phrase of a recent magazine article, Farley is the President's "trigger man."

Mr. Pinchot says that it is idle to talk about a managed economy without a trained and non-political civil service. Of course it is. There are firm believers in the principle of government ownership of the railways who would yet hesitate to embark the government on that enterprise as long as the spoils doctrine remains the force in American politics that it is today. But the case for expert personnel in government need not rest on the hypothesis of large-scale public ownership. We have only to look at the multiplicity and intricacy of the present functions of government to realize how imperative it is that the nation build up a staff of expert civil servants and safeguard it against political attack. Mr. Farley's cynical activities in the other direction are serving neither the long-run interests of the Democratic party nor the interests of democracy.

A Conservative Criticism

The New York *Times*, independent, Democratic but essentially conservative, usually representative of business interests, and in the main, hostile to the Roosevelt administration, is very critical of the tax bill which is being rushed through Congress. The *Times* feels that the measure is ill considered and that it tends to destroy legitimate property interests. These are the principal issues raised in the *Times* editorial:

The President himself, in his recommendations, has not plainly defined the object of the legislation which he seeks. At one point he speaks of using the money got from high taxes on the rich in order to help pay off the national debt and balance the budget. But it is already evident from the Treasury estimates that neither of those ends will be anywhere near attained by the means suggested. And as the committee of the House puts in the bill, it is apparent that the other idea of breaking up great fortunes and severely cutting down the amount that any one may inherit, is finding more and more favor. Thus there is a double aspect to the bill, and its supporters are all the time shifting from one side to the other. Tell them that as a revenue measure it is bound to be a failure, and they will reply that anyhow it means a tax upon "capacity to pay." Then they begin to talk of rates which will be sure greatly to diminish or entirely to destroy the capacity to pay.

The actual rates would, in the case of a man inheriting a large sum representing the control of a going business, compel him to such a process of liquidation in order to pay his taxes that he could no longer carry on the business. This would be another instance of a tax working more social harm than good and not at all in accord with the professed intentions of its legislators. The whole thing surely requires a better understanding all round. If the bill is for revenue, rewrite it so that it will produce revenue. If its purpose is to bring about a new social order, let that be boldly acknowledged. As the affair stands today, we have the spectacle of members of Congress lightheartedly employing a power of taxation which they do not seem to know may prove to be a power to destroy.

A Liberal Tax Critic

Liberals as well as conservatives are attacking the administration taxation program, though from a different angle. The New York *World-Telegram*, for example, objects because the bill is not more drastic and because it does not dip deeper into the national income. The argument is that there should be enacted a genuine revenue measure which will move toward a balancing of the budget by placing heavier taxes upon incomes, both moderate and large. In the main, the opinions expressed by the *World Telegram* in the following editorial are those of most progressives in and out of Congress:

Only political cowardice explains the failure to tax lower incomes to get the revenue the government so sorely needs. And the men who drafted the rates, we believe, underestimated both the patriotism and realism of the citizens whose incomes they refused to touch. A majority of the citizens who in these times have incomes ranging from \$100,000 to \$50,000 to \$25,000 to \$5,000 and much lower, we believe, would not resent being called upon to pay more in direct taxes. Most Americans do not begrudge paying their proportional share of the government's expense. The average family income is below \$2,000 a year. All whose incomes are above the average, we believe, would see the fairness of a plan taxing their incomes proportionally, both to meet the present emergency and as a step toward readjustment of our whole federal tax system, which now depends upon invisible sales and nuisance taxes for 63 per cent of its revenue.

Dangers of Fascism

Heywood Broun, liberal columnist, writing for the Scripps-Howard newspapers, comments as follows upon the characteristics of fascism and its leaders:

I think analysis may show that both Hitler and Mussolini are no more than a pair of bobbing corks swept along by a current they cannot control. Such a cork when about to be swept over Niagara might in its innocence exclaim, "Look at my capacity for leadership. Just observe the tons and tons of water which are following after me."

War and fascism are Siamese twins. You cannot have peace when nationalism has been raised to the boiling point. Fascism supplies the two ingredients which are chemically certain to produce an explosion. It sets up a highly concentrated capitalism and then pours upon it the sulphuric acid of 250 per cent patriotism. There is a blinding flash, a spurt of flame, and in the horrid light one can see great masses of men crawling on their bellies off to another war. Somebody near at hand or far away is about to be "civilized." Big business needs the markets. And in a fascist regime big business is the government.



BOYS, IT ALL GOES ON THE CUSTOMER'S ELECTRIC BILL

—Fitzpatrick in St. Louis Post-Dispatch

If a visitation came to Hitler on the road to Damascus and he were suddenly converted after the manner of St. Paul, I doubt that the miracle would be of much aid to mankind. Hitler could not check the forces he has loosed. He is the leader of the pack only by dint of constantly running for his life.

I do not mean that fascism is beyond the power of mankind to quell. It can be checked, set back on its heels and wholly eradicated. But it is not a one-man job or even a task within the power of any small group. The workers of Germany can end the tyranny when they wake to the manner in which they have been duped and deceived, but they must fight their way to freedom by organizing a solid phalanx of all their fellows who are sore oppressed.

And let us be done with the notion that under some particularly gifted person like Ham Fish, in America, or Colonel La Roque, in France, fascism might wear a more kindly face. I suspect that even Mr. William Randolph Hearst might lose the edge of his own cutting love for the common people if he succeeded in his ambitions to be the Fuehrer ex officio.

Scrapping the Constitution

Is the Constitution an outworn document which does not meet the needs of the American people today, or is it the foundation upon which all movements for social change must be based, the true charter of American liberties? That is a question which is bound to be discussed more and more, in view of the Supreme Court's position on the New Deal. Here is part of a debate on our Constitution, between Paul Blanshard, New York City's commissioner of accounts, and President Glenn Frank of the University of Wisconsin. It appears in the August issue of *Forum*:

Mr. Blanshard: "Suppose that America were faced with some great supernatural crisis in which it became obvious to everybody that the nation could survive only if it were organized on the most efficient basis, only if every ounce of human and natural energy and every grain of human talent could be used to the utmost. And suppose that the thirteen greatest experts in government were locked up in a room and ordered to write a document for the government of America which would guarantee the highest national efficiency. Would those experts in such a crisis write a constitution like the Constitution of 1787? I think that the answer is obvious. They would rewrite the Constitution in terms of the machine age, breaking through state lines, cutting out red tape, throwing overboard checks and balances, and giving us a modern governmental machine that could act swiftly. We may be today in the very type of crisis that I have described."

Dr. Frank: "When men meet to make or remake a government, the mood of the time dominates them. When the constitutional fathers assembled in Philadelphia, the mood of the time was for freedom, which necessitates a decent measure of decentralized power. A constitutional convention called now would find the mood of the time for efficiency which, it is generally assumed, necessitates an extreme measure of centralized power. My own judgment is that this mood of the age is dictated by its own distraction. But this current mood is so powerful that it would force any constitutional convention to draft a charter that would have more of fascism than of freedom in it."

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SOME APPARENTLY DO NOT WANT TO BE RESCUED
—Carmack in CHRISTIAN SCIENCE MONITOR

Among the New Books

"I Change Worlds: The Remaking of an American," by Anna Louise Strong. (New York: Henry Holt and Company. \$3).

Miss Strong has written one of the outstanding autobiographies of the last few months. It is the story of a progressive who, during the war and early post-war years, fought for those liberal principles and policies by which she hoped America would become an economic democracy. With the collapse of the Seattle general strike of 1919, in which Miss Strong played an important part, she became disillusioned and turned to Russia, where the Communist experiment was just getting under way.

By far the greater part of the book is concerned with these years in Russia. Part of Miss Strong's time was taken with journalism, both for the capitalist and the Communist press, and part of it was spent in relief work and organizing various social experiments. She was one of the founders of the *Moscow News*, an English-language paper for American residents of the Soviet capital, and when this organ was merged with the *Workers' News*, Miss Strong became one of its three editors. The value of this interesting autobiography would be enhanced if it were written in a calmer tone and if it devoted less time to making impassioned pleas for the Communist cause.

"Lucy Gayheart," by Willa Cather. (New York: Alfred A. Knopf. \$2).

Willa Cather has been writing good novels for a generation, trying to put in beautiful and memorable form the experiences of the America that she loves. Once, in "Death Comes to the Archbishop," Miss Cather went back beyond memory to tell the story of an heroic priest penetrating the Indian southwest, and her last book, "Shadows on the Rock," was a picture of old Quebec. But Willa Cather has never written so well as she did about her own west, in "My Antonia," and "Lucy Gayheart" belongs to that best part of her work.

The story is the simple history of a girl who came from the Nebraska Platte to study music in Chicago, and of her return to tragedy in the little town of Haverford. "Lucy Gayheart," brief and set within a limited frame, is not so ambitious as most of Miss Cather's books, but it is a moving story well told. Together with Willa Cather's earlier novels, it is recommended to our readers.

"Cat Across the Path," by Ruth Feiner. (Philadelphia: Lippincott. \$2.50).

A translation from the German, this book has been widely acclaimed in England and has been one of the most talked-of novels in that country. We believe the book to have been overpraised, for while it is an interesting story, there is really nothing exceptional about it. It is the sort of novel that makes good light reading and good plots for the movies.

The plot of "Cat Across the Path" centers upon the perpetual conflict between two men and a woman. As youngsters, Alexander Himmelmann and Fritz Heine-mann are close friends, both deeply interested in music. Their friendship is interrupted by the departure of Fritz from Berlin to Italy where he is to continue his musical studies. After a number of years their paths cross again, this time under unpleasant circumstances, for during the interval the woman, Sula Kiess, has become a part of both their lives. Having been in love with Fritz, by now a renowned jazz orchestra leader, and jilted by him, Sula turns in desperation to Alexander. After they are married, Fritz returns to complicate matters. In a fit of jealousy, Alexander kills his wife, makes an attempt on the life of his boyhood friend, and, as the story closes, is on trial for his life.

"A Dictionary of Modern American Usage," by H. W. Horwill. (New York: Oxford University Press. \$3.25).

The purpose of this volume, as explained by the author in the preface, is to help

three classes of readers: (1) English people who are not too familiar with the "American" language. (2) Americans who wish to learn more about their own language and to discover differences in English and American usage. (3) Language students who concern themselves "with tracing the changes in signification to which words are subject in the course of a long history." The book is an indispensable guide to all who strive for precision in reading and writing.

Russia Appeals for Assault on Fascism

(Continued from page 1, column 1)

crats, and liberals, with the same stick, as obstacles to the revolution. They have never consented to enter a common fight with them, and have bent all their efforts to undermining their influence on the workers. Now, for the first time, they are extending their hand to these old enemies and asking them to join in a decisive battle with fascism.

Here is the resolution upon which the Communist International agreed. It came from Wilhelm Pieck, leader of the German Communist party, which has suffered more than any other communist organization from the violence and suppression of a fascist government:

"In those countries where remnants of parliamentary government and democratic freedom remain, the proletariat (working class) still has a chance, though a pitiful and trifling one, to organize and openly defend its class interests, despite the heavy opposition of the capitalist system. Where there is a fascist dictatorship the proletariat is deprived even of the most insignificant rights and opportunity legally to defend its class interests. Therefore, we Communists will fight wholeheartedly to retain every ounce of democratic freedom in company with those who have held in some degree to the principles of bour-



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MAXIM LITVINOV

geois (capitalist) democracy in order to increase those liberties and with them as a basis to wage a struggle for genuine democracy and for wiping out the exploitation of man by man."

In other words, the communist program will make an abrupt about-face. The communists, to stave off the growth of fascism, are ready to fight for just those things which they have been opposing for 17 years. Of course, as the last sentence of Mr. Pieck's resolution shows, they will fight for them only as instruments for a communist revolution. In that the communists are consistent. But they have changed their tactics, from uncompromising enmity toward socialist, liberal, and democratic groups to an attitude of friendliness, so long as the specter of fascism threatens the communists with their own violent, determined, and unparliamentary



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SOVIET OFFICIALS

Josef Stalin, second from left, with members of the Central Executive Committee of the U. S. S. R.

methods. For the moment at least, fascism is the communists' worst enemy and the communists' chief concern.

Soviet Foreign Policy

Viewed as a part of the foreign policy of Soviet Russia, there is nothing surprising in the communists' change of attitude. In fact, it is a logical step in the development of Russia's tactics as a member of the European family of nations.

Russia, after the communist revolution of 1917, was in a dangerous international position. The Allied armies intervened to suppress the communist régime, on the one hand, and the communists retaliated by an effort to spread the revolution through Europe. No normal diplomatic relations between Russia and the European countries were possible. Russia was governed by a group of men who had as their avowed purpose the overthrow of every foreign government. But it was necessary for the Russians to make peace and to bring Russia back into a legal status which the other governments would be willing to recognize.

The dilemma took form in a struggle between two elements in the new communist régime. One group, under Trotsky, wanted to put the world revolution before everything else, to enter into no compromises with capitalist governments and to leave Russia an international outlaw until the working class had seized power all through Europe. The opposing group, led by Josef Stalin, eventually was victorious. They thought that the communists should settle down, content themselves for the time being with Russia, and let the example of a successful communist régime in Russia serve to spread the revolution in other countries. When the Stalinites finally had their way, in 1928, Trotsky and his followers were expelled from the communist party and sent into exile. Stalin then projected the two five-year plans for socializing the economy of Russia and proceeded with the task of building up Russia's defenses against the outside world.

Now Russia, the former outlaw, is a member of the League of Nations and has resumed diplomatic relations with the great majority of European countries. Her international status is just as legal as that of France, England, or the United States. Moreover, Russia has become a virtual ally of France, and a major factor in France's system of European alliances against Germany. In the skillful hands of Maxim Litvinov, Russia's diplomacy has also brought the Soviets closer to the United States and Great Britain.

The reasons for this change are clear. Russia, after all, is a great country, potentially the strongest in Europe. The other nations, beset by the problem of establishing safeguards for the peace, could not afford to overlook Russia. Moreover, Russia now has a common interest with at least one great European nation. Russia and France both fear the growing power of Germany, and each can gain a good deal from the support of the other.

At this stage, Russia stands with those European countries whose chief interest is the preservation of the peace. Russia is satisfied with her frontiers. She is engaged, at home, in a difficult attempt to complete

the socialization of her people, and the construction of an adequate agricultural and industrial system. From the west, she is threatened by Hitler, who does not conceal his ambitions for Russian territory. And from the east there is the menace of an aggressive military régime in Japan, which has already made great strides in China and Manchuria. The new Japanese-controlled state of Manchoukuo is Russia's neighbor, and the past few years have seen a growing number of disputes over the Russian-Manchoukuo boundaries. These, the Russians fear, are being inspired by Japan, in order to bring about a war in which the Japanese will be able to push back the Soviet frontiers in Siberia.

The peace on both fronts is difficult to keep. At any moment, Russia believes, Germany and Japan may strike up an alliance and proceed together into Russian territory. From the communist point of view, the reason for Japanese and German aggressiveness is the operation of the capitalist system in their countries, which forces them into an everlasting search for new sources of raw materials and new markets for their industrial products. The Russians think of fascism as the political expression of German, Japanese, and Italian capitalism, which will always push toward war in an effort to solve its domestic problems of depression, and which is sworn to an uncompromising fight against communist Russia.

Thus, as a foreign policy, the present communist appeal for a united front against fascism is easy to understand. It is a weapon against the fascist governments of Germany and Japan, both of which are Russia's enemies. It is also an effort to prevent the establishment of similar fascist governments, with a similar aggressive policy against the Soviet Union, in other countries. The Russians are so concerned with the fascist menace that they are willing, in their other form as the Communist International, to make important compromises in the program of communism itself. To further the interests of the Soviet Union, the communist parties of the world will be ordered to join hands with their liberal and democratic enemies of yesterday.

International Effects

One of the most important effects of the Comintern's change of front will be felt in the relations of communist party members with war. Up to the present, communists have always refused to assist their governments in time of war, on the ground that the war was fomented by the capitalists in their own interest and that the working classes in different countries had nothing to gain by fighting. This has been a fundamental of communist party policy.

Now the congress has decided to lift this ban. Mr. Pieck said, and was loudly applauded by the communist delegates for saying, that "If German fascism attacks the national independence and unity of small independent states in Europe a war waged by the national bourgeoisie (capitalists) of these states will be a just war, in which proletarians and Communists cannot avoid taking part." Here again, the

(Concluded on page 7, column 3)

Neutrality and the Next War

(Concluded from page 1, column 4)

tained, for example, that neutrals should be allowed to trade with belligerents, and that when we occupied a neutral position our trade should not be interfered with by either of the belligerents. During the early years of our history, conspicuously during the Napoleonic wars, both belligerents made such depredations upon our shipping that they threatened to destroy our foreign trade entirely. This we considered to constitute a violation of international

most important of the neutral rights and it is the one over which such bitter controversy has raged during all the wars of the past.

Further Restrictions

There is a further limitation upon neutral trade with belligerents. If citizens of a neutral power seek to trade with a belligerent nation, either in contraband or non-contraband goods, through a port which is blockaded by the enemy, they do so at their own risk. Their government has no right, under international law, to protest against seizure of their goods. In general, a neutral government has the right to protect the trade of its citizens only in noncontraband goods at ports where no effective blockade has been established.

In theory, the question of neutral rights and duties is a relatively simple matter. In practice, however, it becomes highly complex. The principal difficulty arises from the fact that in time of war the interests of the neutral nations are directly in conflict with those of the belligerent powers. The neutrals are anxious to carry on as much trade as possible. War generally offers them an excellent opportunity to increase their overseas commerce, for, with the economic life of the belligerents sadly crippled by the war and with the enlarged demand for products to meet the war needs, there is an unusual opportunity to expand foreign trade. The interest of the belligerents is directly opposed to that of the neutrals, for if their enemy is supplied with all the products it needs from neutral nations it is placed in a better position to carry on the war. It is the aim of the belligerent, therefore, to do everything possible to take as much of the neutral trade it can and to prevent trade between neutrals and its enemy.

World War Experience

The question of neutral rights and neutral duties came into play in the early stages of the last war. Both the Central Powers and the Allies violated our neutral rights in order to gain an advantage over their enemy. Our shipping was interfered with by both sides. In order to prevent the indirect entry of American goods into Germany, England established a blockade of such neutral ports as those of the Scandinavian countries, clearly in contravention of the principles of international law. She stopped American vessels, hauled them into British ports to search them for con-

traband, and detained them for months or took the materials for herself. In dozens of ways she interfered with what we considered our legal rights as a neutral. Against all these practices we protested strongly to the British government, but, as one writer has put it, "never since the days of the Napoleonic era had we been ordered about so unceremoniously; never had our diplomatic correspondence been so cavalierly treated."

No less guilty than England in violating our neutral rights was Germany. With her back to the wall, her sources of supplies from overseas cut off by the British blockade and the superior strength of the British fleet, she struck out with a vengeance. Her particular weapon was the submarine. Early in 1915 she announced the establishment of a "war zone" around the British Isles within which all enemy ships would be sunk. President Wilson warned the Berlin government not to use her submarines against American trade with the Allies. When the *Lusitania* was sunk a few weeks later, taking down a number of Americans, public opinion in this country reached heights of indignation. But it was not until two years later that diplomatic relations with Germany were finally severed and we finally entered the war on the side of the Allies.

American Profits

The fact is that during the first two and a half years of the war the United States was following an unneutral course. In sentiment and in act, the people and government of the country favored one of the belligerents at the expense of the other. We were reaping benefits from our trade with the Allies, which helped to lift the country from the severe depression in which it was plunged at the outbreak of the war. Germany protested against what she termed our breach of neutrality in furnishing war supplies, including ammunition, to only one of the belligerents. To this we replied that we were perfectly willing to supply the Germans' needs, but that we were unable to do so on account of the British blockade. In actual fact, as Walter Millis, author of "The Road to War," points out in a recent article in *The New Republic*, "It is fair to say that in one sense the United States had entered the European War by the middle of 1915. We were an intimate part of the war complex. Our economic power was wholly enlisted upon one side, and we were no longer neutral either in sentiment or in policy."

As the American Congress considers the question of our neutrality policy in case of future wars, it will have before it a number of concrete proposals. Some of them are extremely drastic in nature and would go so far as to declare in advance that in case of war the United States would not seek to protect its citizens who engaged in trade with belligerents. The last war indicated that warring nations, in their ef-

fort to cripple the enemy, place practically every article of trade on the contraband list and that there is little a neutral nation can do to alter this situation. It would be better, it is argued, to inform citizens that if they trade with belligerents they do so at their own risk. Otherwise, we would have to force the nations at war to respect what we consider our neutral rights. In a number of other ways we would seek to prevent the existence of conditions which might lead to disagreeable "incidents." Americans would be warned, at the outbreak of war, that if they travel to countries engaged in war they do so at their own risk, both while at sea and in the country. Similarly, it has been proposed that Americans should be prohibited from making loans to foreign countries at war. It is argued that the government is encouraging an unneutral attitude on the part of its citizens by permitting them to engage in such financial transactions, for with heavy investments abroad they have a vital stake in the outcome of the war.

Proposals of this kind have been encouraged by Senators Nye and Clark, who played such a conspicuous part in the recently conducted investigation of the munitions industry. They admit that such a policy would result in the loss of a great deal of trade, but that we would reap greater benefits by keeping out of war.

Other Views

There are many who advocate a different approach to the subject of neutrality. They are those who favor close cooperation between the United States and the other nations of the world through such organizations as the League of Nations. If such a course were adopted, the United States would commit itself to join with the other powers in collective action against a nation which became an aggressor. Thus there would be no such thing as neutrality, for all the nations would be involved in the conflict. That was the original idea back of the League of Nations, but the failure of the United States to become a member, together with the numerous reverses the Geneva body has met in attempting to keep the peace, has greatly altered the situation.

In view of President Roosevelt's attitude in the Ethiopian dispute and the general indisposition on the part of his administration to become entangled in world affairs, there is little likelihood that the latter group, the advocates of collective action, will prevail in the present neutrality discussions. Whether Congress will go so far as to forego the benefits resulting from the insistence upon neutral rights, or will pass a bill confined to minor provisions, cannot be determined at this time. But it is generally felt that fundamental changes will have to be inaugurated in our policy of the last century and a half if we are to keep out of future wars.



—Columbus Dispatch
WE WANT THIS LAFAYETTE PERSON TO GET THIS STRAIGHT

law as it applies to neutrals. Both the English and the French were offenders, and our strongly worded protests proved unavailing. So determined were we that our neutrality should be respected that we fought an undeclared war with France in 1798, and a declared war with England 14 years later in order to force the belligerents into line with our theories.

Rights and Duties

While there is considerable difference of opinion as to the exact principles of international law governing neutral rights and neutral duties, and while changing conditions of warfare and the introduction of new weapons of warfare complicate matters in each war, it has nevertheless been recognized by custom and practice as well as by definite agreement that neutrals enjoy certain privileges in time of war. It is also recognized that they have certain obligations or duties which do not devolve on them in time of peace. Thus, while there are neutral rights guaranteed by international law there are neutral duties which are equally binding upon nonbelligerent nations.

We need not here go into all the principles of international maritime law in time of war. Only the more fundamental principles which have been established throughout the centuries and which are accepted by the major sea powers of the world need be considered. The essence of neutrality is that a nation not at war should refrain from any act which favors one of the belligerents at the expense of the other. To sell goods to one of the nations at war and to refuse to trade with its opponent would obviously be a breach of neutrality. Moreover, it has become an accepted principle of international law that no government may sell or supply warships, ammunition, or war material of any kind to a belligerent power. The citizens of a neutral country may, however, sell those materials, except warships, to either belligerent. Citizens trading in such materials run the risk of having the materials captured by the other belligerent, in which case they have no recourse, for they are trading in contraband of war which either belligerent has the right to seize. It can be seen, therefore, that the citizens of neutral countries have the right to carry on trade with belligerents and with other neutrals in time of war as in time of peace, provided that this trade is not in contraband of war. This is the



SUNK WITHOUT WARNING
Illustration from "The First World War," by Laurence Stallings (Simon and Schuster)



THESE MEN ARE BUILDING NEW HOMES IN THE WILDERNESS TO HOUSE THEIR FAMILIES

© Acme

Government Resettlement Program Under Tugwell Is Pushed Forward

Little is heard these days of Rexford Guy Tugwell, the undersecretary of agriculture. The reason for his absence from the "news" is that he is tremendously occupied with launching one of the President's latest and most important bureaus, the Resettlement Administration. This bureau is being financed from the \$4,880,000,000 work-relief fund. It was established on April 30 for the purpose of coordinating several resettlement projects which had already been started by various other government agencies. Since then Dr. Tugwell and his assistants have speeded up action on this whole program, which is designed to assist thousands of poverty-stricken American families who are now stranded on "dead acres." Because of wasteful practices of the past, these people—including southern share-croppers, midwestern farmers in the great dry-belt dust-storm region, persons in cut-over areas around the Great Lakes, and families in certain Appalachian mountain regions—are now barely existing under degrading circumstances. The Resettlement Administration is at present surveying projects already started to aid these low-income sufferers; it is trying to decide whether to continue the projects or end them, and also how many new ones to start.

The Program

The problems with which Dr. Tugwell and the Resettlement Administration are having to deal, fall into several general categories. The first of these has to do with retirement of worn-out, non-fertile land. As part of a nation-wide conservation program, the Resettlement Administration plans to put this land into use as wild-life conservation reserves, recreation parks, forestry regions, and grazing areas. Families now living in these areas will, if they consent, be removed to more promising sites where they can be economically self-sufficient. It is more important at this point to bear in mind that the program of the Resettlement Administration is purely voluntary insofar as stricken families are concerned. No families will be forced to part with their property if they want to keep it, however poor it may be. But the government is finding a willingness on the part of most families it confronts to cooperate in the effort to better their conditions.

A second phase of the program is concerned with the relocation of certain rural groups in self-help agricultural-industrial communities. Dr. Tugwell's idea of such a community is set forth in an article by him in the *New York Times* magazine section, as follows:

The Resettlement Administration purchases a tract of land in a farming community. It is sufficient, say, to handle 500 families. That means at least 500 jobs must be available. The families are taken from areas where they

are unable to make a living. They will come principally from relief lists.

A cooperative agricultural association . . . is formed immediately. The Resettlement Administration constructs 500 houses. . . . The homes are located on a village pattern, grouped together on ordinary-sized lots. In the village are schools, community halls, recreation center, barber shops, stores,—the usual buildings and activities of any small town. In addition there are small plants and factories, operated by the cooperative association, such, for instance, as a canning factory, a furniture factory, a machine shop. . . . In other words, facilities are available to process the products of the farm and the forest.

Encircling the village may be the cooperative farm and pasturage. The type of agricultural activities will depend on the location. Income will be derived from both agricultural and industrial occupations. Here you have a community which in a relatively brief period of time will be moderately self-sufficient.

Finally, we come to that part of the Resettlement program which is directed toward the rehabilitation of farm families who are on good land but who, because of hard times, have gone heavily into debt. No attempt will be made to move these families to places distant from the vicinity in which they now live, but instead federal loans will be made to them for the purchase of necessary livestock, seeds, and farming equipment. It is felt that, with government aid, these people will once more be able to elevate themselves to a position of independence.

Such are the plans of Dr. Tugwell and the Resettlement Administration. It is too early yet to size up this program critically, as it is merely in its planning stages. Only a handful of projects have been started, affecting in turn only a handful of people. As a matter of fact, progress on an experiment of this kind is bound to be slow. Dr. Tugwell and his coworkers do not expect rapid results. There is no precedent for this type of social and economic planning in our country. Necessarily, therefore, a great deal of time is being spent in study and experimentation. The program appears to be a sincere attempt, however, to give a decent standard of living to thousands of American people who have sunk to a level of peonage and who are unable, without outside assistance, to better the miserable conditions under which they exist.

Criticisms of Program

Even though the administration's "human rehabilitation" program has not had time to prove its merit and demerits, it is under heavy fire from two sources—conservatives and radicals. The conservatives call it a Utopian scheme, certain to fail because of its impracticability. They say that the government is merely using taxpayers' money to dabble around in a plan that is doomed from the outset to failure. If the government would stop its spending and wild experimenting, these critics argue, private business would again get on its

feet, prosperous times would return, and people who are down on their backs, both in the cities and in rural areas, could find employment and enjoy a higher standard of living. It is all right for the government to extend direct relief where it is absolutely needed, it is said, but if the country is ever to regain its economic health the government must put a stop to its costly experiments.

The radical attack against the government's resettlement program sounds a different note. It is to this effect: The effort to put downtrodden city and country people on small plots of land, where they can barely subsist even by raising their own food and working occasionally in some near-by factory for a few paltry dollars, is merely a plan to perpetuate the low standard of living of these people. It is a defeatist attitude. It indicates clearly that the present administration realizes that these helpless people can never be absorbed in the normal industrial and agricultural pattern of the nation under our present economic system. Instead of changing the system so that these unfortunate families may be able to fit into the American industrial picture, the administration has concocted a plan to separate them from the rest of their countrymen by placing them in communities where, by a system of barter, the inhabitants at best can barely eke out an existence. What has become of the high American standard of living which has been the envy of the world, ask the radicals. Their reply is that it has been sacrificed on the altar of the profit system. The radicals' alternative to the administration's resettlement program, of course, is for the government to take over factories and farms, to gear their production up to capacity, and to give everybody jobs.

In spite of all these criticisms, however, the administration feels that it is following the wisest course under present circumstances. It thinks that it is far better to spend taxpayers' money in the effort to place families on a self-sustaining basis than it is to keep them on relief. It points out that a committee appointed by such a prominent conservative as President Hoover recommended a program of action very similar to the one which is now being carried out by the Resettlement Administration.

BATTLE AGAINST FASCISM

(Concluded from page 5, column 4)

necessity for a fight against fascism is more important to the communists than an integral part of their own political program. If Germany or Japan engage in a war on any European state, the communists will go into the trenches, for the first time, to fight for the government of a capitalist state.

One feature of the new communist policy raises an interesting diplomatic question for the United States. That is the possibility that the new Labor party, if it is formed in the United States and if it is controlled by the Communist International, will violate Russia's promise not to engage in propaganda or agitation on Amer-

ican soil. The Russians made that promise when their government was recognized by President Roosevelt last year. The question is certain to be raised if any serious attempt to establish the party is made in the United States.

It is difficult to see what policy our government will adopt. The issue involved is not very clear, since there is already in the United States a branch of the Communist party affiliated with the Comintern in Moscow. As a result of our recognition of Russia, a tacit understanding has grown up that the relations between the American Communist party and the Comintern be as loose as possible. The Communist ambassador in Washington, M. Troyanovsky, has been careful not to give offense to our government by cooperating with the Communist party, nor have any Russian representatives of the Comintern supervised the party's tactics as, for example, Comintern officials have openly worked with the communist parties in China. Because the Russians are very anxious to preserve favorable diplomatic and commercial relations with the United States, and because the threat of fascism is comparatively remote in this country, it is extremely unlikely that the new party will be allowed to jeopardize the friendly relations which have been maintained.

Furthermore, the Americans will probably want to fight fascism in their own way, and not in league with the Communist International. Communism is just as deeply opposed as fascism to the American aims of free speech, free press, liberties of person, and parliamentary government. Communism and fascism stand at opposite poles on the economic issue. One is devoted to the elimination of private ownership of the productive system, and one is devoted to its preservation. But as political systems, both are autocratic, opposed to give and take, and unwilling to rest their authority on the consent of the people, peacefully expressed.

SOUTH AFRICA GETS TRADE

Although Great Britain has been exerting strong diplomatic pressure against Mussolini's aggression in the North African empire of Ethiopia, one part of her empire is enjoying a trade boom as a result of the Italo-Ethiopian hostility. The Dominion of South Africa is reviving its cattle and grain industries through sales to the Italian armies.

The cattle dealers had been suffering from a serious depression, but now, with Italian contractors eager to buy all the meat they can produce, consumption and prices are skyrocketing. South Africa has always taken an independent line with the mother country—in 1931 the dominion government caused great consternation in London by its refusal to follow England off the gold standard. Now London feels that if the South Africans embroil themselves with the Ethiopians because of trade with Mussolini's army, they will probably want the empire to pull their chestnuts out of the fire and assure their freedom of trade with the Italians.



THIS FAMILY CAN NO LONGER EARN A LIVING FROM THE SOIL WHERE IT LIVES



AN OUTSTANDING social characteristic of American civilization in times past has been the heterogeneity of its population. Decade after decade hordes of immigrants flocked to the shores of this country until the population was composed of mixed races and mixed colors.

Heterogeneous character of population

The causes of this great influx, constituting one of the greatest migrations of peoples in the history of the world, were both political and economic. Immigration was encouraged in order to supply the cheap labor which was so essential to the industrial development of this country. On the political side, the oppressed of all nations were warmly invited to the new world where they could enjoy personal liberty and equality of opportunity. The "melting pot" idea was accepted as a function of our civilization.

A new chapter in the racial history of the United States was opened 11 years ago when drastic and effective steps were taken to keep the foreigner from our shores. Immigration restriction laws limited the number of foreigners who could enter this country to a minimum. Exclusion laws which barred Orientals entirely were placed upon the statute books of the nation. In a word, the day when America held her doors open to the races of the world came abruptly to an end, and the foreigner who had contributed so mightily to our economic and cultural development was no longer regarded as an asset.

The restriction of immigration to the point where more people leave this country than enter it is one of the most important social developments of our time. It will be impossible for many years to calculate precisely what the effects of the change in policy will be. Certainly the character of American civilization, culturally speaking, will undergo profound changes. Unless the policy is reversed, a more homogeneous type of population is certain to emerge after a few generations. Already certain indications of changes are apparent. The industrial jobs which were formerly filled by immigrants are now being occupied by others. Negroes, who for generations earned their livelihood in the rural regions of the South, have been moving into the North to fill the vacuum. There also arose an influx of workers from American overseas possessions, Puerto Rico, Hawaii, and the Philippines.

WHAT is likely to have an even more profound effect upon American civilization of the future is a change in the racial composition of the population. Before 1924, when the immigration restriction policy went

Immigration restriction alters racial problems

into effect, the rate of increase was about the same among the white races and the colored races—Negroes, Mexicans, Indians, Japanese, Chinese, Filipinos, and others. Between 1924 and 1930, however, there was a tendency for the colored races to increase more rapidly because of a higher birth rate. During the decade 1920-1930 the white groups increased 15.7 per cent and the colored 20 per cent. The reason for this disparity is not difficult to find. The white foreign immigrants, most of them laborers coming from Europe, tended to multiply more rapidly than the native population. They contributed heavily to the annual increase in the white population. With the immigration restriction laws, this source of natural increase dried up, and the colored groups outstripped the others.

Moreover, the birth rate among the colored races residing in the United States has always been high. Investigation among the Mexican

Racial Problems of the United States

By David S. Muzzey and Paul D. Miller

population (descendants of the Indians rather than the Spanish) residing in California disclosed that it contributed a much greater percentage of the excess of births over deaths than its proportion of the entire population. Similarly, the Japanese have an extremely high birth rate, the excess of births over deaths being considerable each year. Despite this increase of the last few years, there is no reason to believe that the colored races will continue to increase more rapidly than the whites. The future trend will be governed by a number of economic and social factors which are unpredictable in advance.

IT IS mainly these races which differ in color that constitute the minority problem of the United States. There is little chance of their becoming assimilated by the native-born or the white foreign-born population.

Assimilation of conflicting elements important

Intermarriage between the two races is exceptionally rare, and consequently these colored groups are likely to remain a distinct minority group for many generations to come. The most that can be hoped for is a certain amount of intellectual and cultural assimilation. That is, by education, participation in public affairs, the social life, and other methods, these groups can become imbued with American traditions and develop a truly American culture.

Much progress along these lines has been made since the turn of the century, especially among the Negro sections of the population. Increasing educational facilities for Negroes have been provided during the last three decades. State governments have devoted considerable attention to the problem of educating the Negro population, and the results have been encouraging. The number of institutions of higher learning for Negroes has increased, and each year sees many academic degrees granted to those who have successfully completed their courses for various careers. Moreover, attention has been focused on vocational education for Negroes. All these things have tended to raise the general level of training and culture of the race.

Despite the advances of the modern period, much remains to be done before the Negroes will enjoy equality of opportunity with the whites. School attendance among them is still the lowest of any of the racial groups. In 1930 there were a quarter of a million Negro children between the ages of seven and 13 who were not enrolled in schools, and nearly a million between the ages of five and 20.

The problem of the white foreign races is one which will largely take care of itself with the passing of time. On every side there are indications of assimilation. If there is not intermarriage between foreign-born and native Americans, the children of these foreigners soon become accustomed to American ways and habits. In most cases, it is only a matter of one or two generations before the work of assimilation has been completed. Already the effects of immigration restriction on racial assimilation are making themselves felt. The foreign quarters of the large cities where groups of Germans and Italians maintain their national identity and racial characteristics still exist,

to be sure, but they are a much less potent factor than they were during the years before the restrictive legislation.

ANOTHER indication of the assimilative process is the decline of the foreign press in America. There are still printed in this country hundreds of newspapers in foreign languages, but the last few years have seen a marked decline in the number.

Racial differences decline during last decade

Such newspapers serve primarily the needs of the older immigrants, those who have not acquired a knowledge of the English language. As the younger generation grows up, attends American schools, it becomes more interested in the American press, and the foreign press is forced out of business.

Perhaps the most important problem arising from the existence of numerous minorities in our midst is that of prejudice and discrimination of one kind or another. Race prejudice is particularly strong when the minority happens to be colored. Thus we find a great deal of anti-Japanese sentiment in California and anti-Negro feeling throughout the South. The most violent form of race prejudice is the infliction of physical punishment on members of the unpopular race, such as beatings, homicides, and lynchings. Until 1930, the number of Negro lynchings was gradually declining year after year, but the last five years have seen a new spread of the barbarous practice. The reason for this new outbreak of violence is undoubtedly the severity of the economic depression, for in times of stress, the competition of "outsiders" is deeply resented. As one authority on the subject of race prejudice has put it, "Prejudice is based in part on social fear and in part on economic competition." It is only logical to assume that if the Negro population competed more effectively with the whites, race prejudice would be much more violent than it has been.

The recent increase in lynchings is an ominous sign of the times. If economic conditions throughout the country fail to improve sufficiently to give all a feeling of security, race prejudice is likely to grow in this country. And it will probably spread to minority groups other than the Negroes. It should be remembered that it was the stress of prolonged economic depression which watered the seeds of anti-Semitism in Germany. Even today in this country there are unhealthy signs of racial hatred and bitterness. While most of it is under cover, there are reasons to believe that anti-Semitism has grown to considerable proportions in America since the beginning of the depression. Secret organizations are known to be spreading the gospel of anti-Semitism, blaming the economic woes of the present on the Jews.

IN CONCLUSION, it may be said that the United States has gone far toward a settlement of its minority and racial problem. Public and private institutions, as well as natural social forces, are working to prevent the clashes which so frequently occur among a heterogeneous population like the American. Whether the progress of the last generation continues will depend upon the seriousness of the issues which may arise, the general trend of economic events, and the degree of intelligence of the general public. Our past experience with racial hatred and violence, notably the Ku Klux Klan episode, indicate the lengths to which the American public will go in times of severe stress.

Rise of racial prejudice possible in future

Something to Think About

1. Do you think the United States fulfilled its obligations as a neutral during the early part of the World War?
2. Why would it be increasingly difficult, in a future war, to obtain the guarantee of our neutral rights? What steps would the United States have to take in order to do so?
3. Which of the two general courses of action do you favor, close cooperation with the rest of the world in time of war, or non-insistence upon our rights as a neutral?
4. How is the recent decision of the Third International a natural development of Soviet Russia's foreign policy since 1928?
5. What effect, if any, will this reversal of policy have upon Russia's relations with the United States?
6. What is the fundamental difference in economic theory between communism and fascism?
7. Are there any indications that an outbreak of racial prejudice is imminent in the United States? What are generally the main causes of race prejudice?

8. Which of the three positions, radical, liberal, or conservative, do you support with respect to the government's program of subsistence homesteads? Give your reasons.
9. What is the dilemma confronting the League of Nations Council in the Italo-Ethiopian dispute?

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PRONUNCIATIONS: Kalinin (kah-lee'neen), Stalin (stah'leen), Radek (rah'deck), Maxim Litvinoff (mahk-seem'leet-vee'noff), Fiorello LaGuardia (fee-o-rel'lo la gwar'dya), Calles (ki'yays—i as in ice), Lazaro Cardenas (lah'sah-ro kar'day-nas), Emilio Portes Gil (ay-mee'lyo por'tays heel').